

EXHIBIT 36

**TO THE DECLARATION OF STEPHEN G. TOPETZES
IN SUPPORT OF REPLY MEMORANDUM OF LAW IN
SUPPORT OF DEFENDANTS' MOTION TO DISMISS**

World Wrestling Entertainment Inc at Morgan Stanley Technology, Media &...

NewsRoom

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World Wrestling Entertainment Inc at Morgan Stanley Technology, Media & Telecom Conference - Final

Presentation

BENJAMIN DANIEL SWINBURNE, MD, MORGAN STANLEY, RESEARCH DIVISION: Okay. Shall we get started? Good afternoon, everybody. I'm Ben Swinburne from Morgan Stanley. Please note that important disclosures, including my personal holdings disclosures and Morgan Stanley disclosures, are up here as a handout available in the registration area and on the Morgan Stanley published website. Very excited to welcome back to the conference to my left is George Barrios, the Co-President of WWE. He's held that role since 2008 when he joined the company, as most of you are aware, that WWE is an integrated media organization and recognized leader in global entertainment. George, thanks for coming back.

GEORGE A. BARRIOS, CO-PRESIDENT & DIRECTOR, WORLD WRESTLING ENTERTAINMENT, INC.: Yes. Thanks for having us. This is a great conference. And that guy's potato chips, save me 1 because they look really good.

BENJAMIN DANIEL SWINBURNE: We can get you some food. There's a cookie for you...

GEORGE A. BARRIOS: Awesome, that's great.

BENJAMIN DANIEL SWINBURNE: And there's doughnuts.

GEORGE A. BARRIOS: I'm starving. It's a meeting after meeting, though.

Questions and Answers

BENJAMIN DANIEL SWINBURNE: Right. We'll go quickly. So you wrapped up last year, the fourth quarter earnings call a couple of weeks ago. You guys had a really successful 2018 securing your U.S. TV rights. You did that long-term view on the Middle East. What are you guys focused on for 2019? What are the priorities for the company this year?

GEORGE A. BARRIOS: Yes. Number one, as you know, Ben, we've got Raw and SmackDown, the distribution for that core content around the world. We need to lock that down. So some key markets for us, Middle East, China, U.K., Latin America, India, so those are all ongoing. We've said we hope to get that locked down by the middle of the year. And those deals take effect some -- throughout this year and some will begin on channel Jan. 1, 2020. So kind of locking those down, obviously, important for us strategically because our distribution partners for the core content is a key part of the value creation for the business, important for us financially. We'll have a lot of visibility over the next several years for a pretty significant portion of our revenue, so really important. So that's one.

The second element is we recently announced we are moving our direct-to-consumer service to 2 new partners, Endeavor Streaming and Massive. So we've been hard at work over the last year or so rearchitecting that experience. We're super excited about what that's going to mean for our fans. So we've been working that for a year. Hope to launch in the second half of 2019, so a lot to be done there. And then the third element is continuing to deepen our presence in a lot of these local

World Wrestling Entertainment Inc at Morgan Stanley Technology, Media &...

markets, and we're going to do that in a variety of ways. We're going to localize a lot more of our content, especially our digital and social content. We think there's an opportunity to localize the network, at least one additional language we're working through on the plans. For that, we recently announced a U.K. Performance Center, so our academy, if you will. It's our first one that we've done outside the U.S. We have one in Orlando, Florida, which today is the hub of recruiting, training, developing the next generation of WWE talent. We think there's an opportunity to really deepen our presence in key markets through -- that's why we've launched it earlier this year. We're going to learn a lot and that will be the blueprint for hopefully expanding that. So all those things will be a big focus in 2019.

BENJAMIN DANIEL SWINBURNE: Got it. So a little busy year.

GEORGE A. BARRIOS: Yes.

BENJAMIN DANIEL SWINBURNE: I want to touch on all those fronts and maybe just before we do, investors often ask me, how do I sort of keep track or assess the level of popularity of the content? Is it growing? Is it shrinking? And I used to say, well, Fox and NBC almost quadrupled what they're paying you, so that sort of speaks for itself. But if you look at the ratings generally on TV, you guys have had some ratings pressure. You look at the attendance trends, which used for some time line [if your core has been] a little soft and similar products. If you can just -- there's certainly some questions in the marketplace about that data and sort of reconciling that with this incredible tailwind on the media side. How do you guys answer that question around measuring and assessing the core popularity and health of the IP?

GEORGE A. BARRIOS: Yes. So we try -- I would say the most important metric for us is time spent. And in some cases, it's fairly easy for us to measure time spent. We have pretty good visibility, obviously, to our SVOD service. We have pretty good visibility to the digital platforms, on the traditional Pay TV platforms, depending what country you're talking about. The measurement systems are better than others. But we aggregate all that, and that number is important to us, the scale of that number as well as the trajectory. So it was up in 2018 about 8%, 5.8 billion hours. So that was good. I always say if you said to me 5 years from now, "What's more important than that, that number grows or that your scale is big enough that it cuts through the clutter of this fragmenting ecosystem?" I'd say I want both, I'd probably take the latter. I want it big enough that it cuts through because in some ways, it'll -- it could be difficult for anyone to grow given the proliferation of ways to spend your time. I think what becomes important as that happens is that you want to be -- if there's a barbell effect where there's 10 million content creators from PewDiePie to the NFL generating half the -- 10 million content creators generating half the economics.

And over here, the other half are going to 20 or 30 passion brands like the NFL or the IPL and hopefully, WWE. I want to be on that side of the barbell. So it's important for us to have enough scale to cut through the clutter. Certainly in the U.S., we think we do. But ultimately, what we look at is time. Generally, there's other metrics that it's hard for us to quantify time like the attendance, so we just look at live event attendance. We'll look at what our sell-through is at retail. We'll look at our own direct-to-consumer commerce business. So we look at all of those. Generally or along arc of time, we feel good. I think the numbers speak for themselves. It's how we've done. And like you said, we have 2 pretty smart partners here in the U.S., validate that with the economics. Having said that, and we think it's cyclical. Vince touched on it on the earnings call in terms of injuries we had in 2018. That, that created a little bit of a speed bump for us. And we saw it in various places, which is why we think it is cyclical. So our hope is as talent recuperate and come back, that kind of that'll be in the rearview mirror. And people have asked similarly, well, how long does that -- when that happens, how long does it usually take? So we really don't know. It's not like it's happening continuously and you have some model around it. Last time, I remember something similar was 2010, we had several top talent get injured or retire. And you kind of saw the same things, saw a little bit of softness. 6, 12 months later, you kind of saw it abate because you had new talent come on or people recuperate and come back to the main roster. So we'll see how that plays out. But generally, we tend to agree, 2018 was a great year. And our hope it's 5 years of record revenues through 2018. We think this year will hit right around \$1 billion. And our expectation is that for the ensuing several years, we'll continue to build on that.

BENJAMIN DANIEL SWINBURNE: Right. So as you know, everyone is super focused on these rights renewals. You've got the U.S. one done which give you great visibility. The next question, of course, what did you do with all that money? You've got this guidance for 2019 of at least \$200 million of adjusted OIBDA. Help us think about where you're investing incremental capital above and beyond sort of normal course operating expense growth in the business this year.

GEORGE A. BARRIOS: Yes, first kind of from a hierarchy of how do we think about capital allocation, first and foremost, is to have a balance sheet that can withstand tough times. I think it's pretty easy to architect the balance sheet on the premise that things will always be good. So we choose not to think that way. So we think about the balance sheet as being conservative and being able to withstand difficult times, not just good times. Second, we want enough liquidity to manage the business day to day. Third, we want to invest in the core business. The business has tremendous ROIC and ROE, and we want to invest enough to maintain that. Fourth is the organic opportunities that we have. Fifth is evaluating inorganic opportunities and then the final use of capital will be return. We've got the dividend, it's \$0.48 a share pay out. And then the board recently authorized a \$500 million share buyback program that we'll execute, we said, when we believe the intrinsic value isn't properly reflected in the market price with the -- some margin safety built into that.

BENJAMIN DANIEL SWINBURNE: And you had mentioned to us that on the earnings call, which is helpful, sort of an underlying kind of 3% growth rate in OpEx base. And then there's spending above and beyond that in '19. You have this sort of revenue step up in fourth quarter, but help us understand where that money is going to. What are the areas you're investing in this year?

GEORGE A. BARRIOS: Yes, there's 3 kind of big conceptual areas. Some of the initiative cuts across multiple 2 or 3 of these. So it's either content, global markets or digitization. So on the content side, it could be one initiative that hits content and local as -- global markets would be localizing more of our digital content, right? So we create 600 hours of digital short-form content a year, and 99% of that is in English. It should be in more languages. So Raw and SmackDown, for example, our core content is available in almost 30 languages around the world. And that should be in more languages. In India, it's only available in Hindi. We should be -- have Raw and SmackDown in 4 or 5 different languages. But when you look at social, digital, we should be doing it in more languages. So that's one example. On the digitization side, we're going to the relaunch the network I mentioned. So better digital products, more robust data stack, which we think over time really strengthens our ability to put smiles on our fans' faces because we understand what we're doing. We -- does that better. So that's really important to us. And then just having more of a local presence. One of the challenges we have as a small company that's popular all around the world is in India, I've got 7 or 8 people. It's a big country.

BENJAMIN DANIEL SWINBURNE: I hear that.

GEORGE A. BARRIOS: No -- yes. In China, we've got 10, right? So I always joke. I have 1 -- we have 1 person for every 150 million people in China.

BENJAMIN DANIEL SWINBURNE: An efficient model.

GEORGE A. BARRIOS: So we -- Yes, it's an efficient model. That is a great thing and eventually, we remind everyone of that. We've built this big global business really, really efficiently. So now the question for us though is, do you kind of bend the growth curve by investing more people on the ground? So -- but it's those 3 areas, and hopefully, that gives you a little bit of flavor of specifically some of the things we'll do.

BENJAMIN DANIEL SWINBURNE: And when you -- if you're prepared to talk to us like when you exit this year, sort of where in the project stage. If you look across sort of the larger initiatives are you, do you think you'll be largely done so these expenses, you sort of reset the base and we go off that? Or [does so that it continues] to be incrementally...

GEORGE A. BARRIOS: Yes. We've got a long list of what we believe are ROI positive projects in the pipeline. So the real question for us is pacing. We're going to reset 2020 to some level. We've got our eye on our core content becoming available again in the marketplace in 2025. And so we want to make sure we're investing to maximize that opportunity, [some of them] we did the last 5 years. And then in the interim period, we want to grow revenues and grow profits as well, right? So that's the kind of -- from a time frame perspective. And when I say that we have a long list of ROI positive projects, the ROI is either direct, first order or second order. So for example, if I localize digital content, there's first order monetization around better sell-through rates, higher CPMs. So we have a model around that. We can test and see it. We're right about our model, and that's first order monetization. The second order monetization of that investment comes when that Raw and SmackDown are back available in that market, right? Because if I strengthen the brand and make it as valuable as possible, I have -- it's the -- not unfortunately because it's actually a big engine for our growth. But I can't get the monetization for that investment until I have another opportunity in the marketplace. So -- but to your question, it's not that we run out of ideas or

World Wrestling Entertainment Inc at Morgan Stanley Technology, Media &...

opportunities to grow the top line and the bottom line. It's just around pacing it because in the short term, that second order of monetization, we have to wait a few years. So you want to just balance to make sure we're still growing the bottom line while we wait for that. So it's less a matter of do we have things to invest in. It's more around the pacing of those.

BENJAMIN DANIEL SWINBURNE: Yes, that makes sense. I need to ask you this question [probably as we sat down] over the last year plus, but...

GEORGE A. BARRIOS: But it doesn't make any different than anyone else.

BENJAMIN DANIEL SWINBURNE: Thank you. But could you update us on, in particular, the U.K. and India? Just how do we think about those markets relative to what you've done so far in other markets?

GEORGE A. BARRIOS: Yes. Look, obviously, we're right in the middle of those. And if you had asked me the same question about the U.S. deal when we were right in the middle of that night...

BENJAMIN DANIEL SWINBURNE: Look how well that turned.

GEORGE A. BARRIOS: Yes, I know, right. And I didn't answer that question, and so I really can't answer it. I will tell you the way I think about it is we've got kind of these basket of renewals. Set in 2020, if the deals remain flat, there will just be just over about \$100 million in revenue. Obviously, the [AAB] on those deals is less because that would be taking their last year of the deal. And so once we get all that -- all the basket of deals done, we'll update what that number is. And so we won't get people because obviously, we have confidentiality provisions in all our agreements. So we won't get economics of any one deal. But we will give people visibility onto the basket so they can see, okay, now I see what the visibility is on the revenue stream for WWE. So -- and our hope is some time maybe a year or so that we'll be able to do that.

BENJAMIN DANIEL SWINBURNE: Okay. And should we expect you then to sort of think about or the way you communicated the market is, all of these international markets you laid out gets thrown in the basket and that help us to lower that gross from here?

GEORGE A. BARRIOS: Yes. Well, probably, as deals get done, I mean, we've announced deals over the last several months in different markets. So as deals get done, we tend to announce that, hey, we've signed a new distribution partner. But as far as the financials around that, we'll wait until we have enough of them that we can bring them together so that we're not violating the confidentiality agreement that we have for one specific partner.

BENJAMIN DANIEL SWINBURNE: I'd imagine that relative to the U.K. and India markets like China, Latin America they're always are smaller today. These are earlier gestation markets for you guys, I assume.

GEORGE A. BARRIOS: Yes. I think we've been public before that our largest markets in terms of total monetization were the U.S., U.K. and India. Middle East is now #2 in 2018 after the U.S. And specifically on the rights deals, we've said there was the U.S. and then the U.K., and then they were #2 and #3, so that's all we've been public with.

BENJAMIN DANIEL SWINBURNE: Okay. And just one more on U.K. and India. Can you just help us remind us today how you're distributing in those 2 markets? Because obviously, the way to start is important for where you're going to go.

GEORGE A. BARRIOS: Sure. So today, in India, our partner is Sony. And the In Ring content sits on their sports channels, which is part of the broad bundle. So it's not a tier, so it's part of the core bundle on the Ten Sports branded channels. So that's where you'd see Raw and SmackDown. We actually -- and it was the first market we did this, whether it was incredible, successful and it's a model we want to replicate in different ways. But the core concept, we created a highlights show. Some people call it magazine show, clip show, highlight show, every region has its own term of art. But it's a 2-hour show that covers the happenings of WWE. It's hosted by a local celebrity, so not local wrestling talent, local celebrities. And it's on the Sony's GEC, it's a General Entertainment Channel, which is their biggest channel.

BENJAMIN DANIEL SWINBURNE: Broadcast or on pay?

GEORGE A. BARRIOS: It's on -- well, it's on broadly distributed pay platform, so it has almost 80% television household penetration in India. That piece of content does incredibly well and it exposes WWE to a broader audience than just a sports audience. So it's a model that's worked great for Sony. They're big supporters of it, and it's worked great for us and it's something that we want to do in as many markets as possible. And obviously, to be able to do that, there's a scope of rights discussion that you have to have with your partners to be able to do things like that. In the U.K., we are, and have been for a long time, on Sky and we sit on the Sky Sports tier. So it's fairly tiered up. We don't have something that's broadly distributed like I just described. So that's the model and the U.K. is a little different than it is in India.

BENJAMIN DANIEL SWINBURNE: Yes. This idea of a highlights show broadly distributed and then sort of core product on the pay side has worked well for you in India. I think you've -- it was New Zealand and there are some other markets recently where that model looks like your...

GEORGE A. BARRIOS: Yes, we've done something similar. I haven't got a broader distribution as I think it's optimal in the Middle East with a show called WWE *Wolfshead*, and we've done something similar with Fox in Latin America called WWE Saturday Night. But the core element of it is you're telling the story across both brands, Raw and SmackDown, and in some cases, NXT as well. So in essence, it's the WWE world. And also, we believe a critical element is the integration of local celebrities as the face of the show because that then gives it a much more local flavor. Because we've done highlight-type shows before that we've produced. And so you have WWE talent, if you will, as the face of the show, which are great. But we really do think this kind of local flavor has been the kind of key ingredient. So it's something -- that element, we want to take to as many markets as possible.

BENJAMIN DANIEL SWINBURNE: Yes, and then just to wrap up on this -- on the rights front. Once we get all these deals done, revenue will step up nicely in '20 and in the fourth quarter this year. These projects that you've got going on are stuff that you guys are making determinations that are worth spending money on.

GEORGE A. BARRIOS: That's right.

BENJAMIN DANIEL SWINBURNE: A lot of the conversations and the comments have been on sports rights with meetings and unions, whether it's rev shares and things like that. From a WWE perspective, my understanding is you don't really have direct relationships between the revenue instead of some kind of context cost on the talent side. Is that the right way to think about it? Or how should we think about talent cost pressure if there is any as your revenues step up?

GEORGE A. BARRIOS: Yes, obviously, it's different than the league. I would say that the model that's built 35 years ago is one where when the company does well, everyone does well. So talent inside the company, the corporate talent and the talent in the ring, and -- so that models worked well, we'll continue to do that. So I think it's fair to say that if WWE does better in fourth quarter '19 and into 2020, then the talent will as well. So that's always the plan. As you mentioned, our model on how that gets kind of a portion is a little bit different than the league.

BENJAMIN DANIEL SWINBURNE: Yes, got it. Okay. Let's shift over to the network. You mentioned that you're moving to 2 new platforms later this year. I don't know what you can tell us, but what will the consumer see differently, at least at a high level as you guys migrate over to the new platform?

GEORGE A. BARRIOS: Okay, so we're going to save the big reveal for a different audience, and I hope that nobody takes it seriously.

BENJAMIN DANIEL SWINBURNE: We'll give you the potato chips.

GEORGE A. BARRIOS: Yes. I'll trade that for the 3 chips. But look, I think there'll be a few things. Number one, you'll see an improved core product. Obviously, we've invested a lot of time and energy, so we're excited about that. You'll see today, WWE has a lot of free content available digitally. You can see it on our owned and operated -- and you see it in YouTube and Facebook. But on our owned and operated, it's kind of our bifurcated experience. I think you'll see that more richly integrated, so it's one experience for subscribers and nonsubscribers. We think there's an opportunity on creating a premium tier as well. And then eventually, up to date, it'll only be available in English in terms of both the content, the UX, the commerce flow. So we think there's an opportunity there to localize that. So that's what we've been hard at work. Our hope

is towards in the back half of the year, we launch. Obviously, everything that I just talked about, it doesn't happen day 1. It kind of happens over several months. But yes, we're excited about it. It's been -- and it's a labor of love for the people at WWE because this product is for our biggest fans. And if you go on Reddit or Twitter or Facebook, there's a lot of, kind of passionate engagement about WWE networking. And so we've taken a lot of that feedback, and hopefully, our fans will see that we've listened to them.

BENJAMIN DANIEL SWINBURNE: Does this change at all either your expectation of a 3 million to 4 million subscriber opportunity for the network or how quickly you might get there?

GEORGE A. BARRIOS: Yes, look, over the long arc of time, we still think we have a big enough fan base that, that portion, which relatively speaking will be a fairly small percentage of, if you looked at everybody who watches some amount of WWE content somewhere in the world. So we think the -- that's the -- a reasonable target for us to shoot that over time. The whole timing, that's a little bit more difficult for us to kind of wrap our arms around.

BENJAMIN DANIEL SWINBURNE: Yes, makes sense. You spoke before, George, about localizing content more. Maybe talk about some of the investments you're making this year internationally. What kind of returns do you expect to get?

GEORGE A. BARRIOS: Yes. First order returns would be us putting people in market either social, digital producers, editors to take the content we create digitally today and localize it in some way. It might be a voice over with a local talent from that region. It might be some sort of subtitling. It might be a slightly different format where we actually use local talent to narrate some of the content. So will differ region by region. But the ROI there, hopefully, the direct ROI, will be better advertising dollars. The indirect ROI, like I mentioned before, is that, that over time strengthens the brand. And whenever in that region Raw and SmackDown, again, the core value drivers of WWE, are available whether it's us monetizing Raw and SmackDown, or through a partner or however it's done, that the opportunity to monetize has grown because we've deepened the brand -- so it's this -- and the first order of monetization easing. People like that. Obviously, you see it right away. That's second order, I get it. There's a time element to that. But ultimately, that's the big value engine for WWE. And we think it's -- it makes all sense in the world to invest into that.

BENJAMIN DANIEL SWINBURNE: Let me ask you about the NXT UK initiative. Just generally when you're putting academies in place around the world, give us a sense for how much of that kind of thing costs. And on the U.K., the NXT UK in particular, how is that content resonated so far?

GEORGE A. BARRIOS: So for people who don't know, today, we have an Academy. We call it the WWE Performance Center in Orlando, Florida. And we'll have anywhere between 60 and a 100 talent that we've recruited from around the world training to be the next generation of WWE Superstars. So last year, we had recruiting event in Saudi Arabia and Chile and in Germany. We're having one in Mumbai in a couple of weeks. Actually, in a week. And we scour the country, the region before we have the event, invite 20 to 40 of what we think are the most promising talent. We have a structured program to evaluate the talent. And we'll take, let's say, 10% to 20% usually out of that event, comes to Orlando and gets trained. That talent that's in Orlando, we're actually creating content from like WWE NXT. If you use a sports analogy, it's our minor league, our development league. That's available on WWE Network in the United States.

In the different markets outside the U.S., it might be on Pay TV or still on the network. And it's developed its own following, right? There's a pretty passionate fan base. I got a friend of mine who loves, not a big NBA -- well, he likes the NBA but loves the [agility, live Bush]. That's what -- he loves it. It's pure basketball. It's loving the game whatever, he loves it. So I'm not saying it's the same analogy, but there are fans of NXT, they're just fans of NXT, right? It has its own passionate fan base. We said internally and done a lot of math around what would an academy in a region look like, right? So imagine, one in India or China or Latin America. And we think that there is an opportunity to broaden the pipeline of talent, create more monetization opportunities in the market, tour, merchandise potentially, media. Number three, deepen the brand again, so when Raw and SmackDown is available, you've now got a presence in that market 365 days a year as opposed to coming in and out.

And then over the long term, this is 10 years or up, boy, if live content becomes as critical outside the U.S. as it's become in the U.S., well now, that's just giving you a bridge or a path to having live content in those markets where because of the time difference, right? So it's got multiple ways that it could benefit. Our first foray is in the U.K. Now it's what I'd call a beta

World Wrestling Entertainment Inc at Morgan Stanley Technology, Media &...

version at this point, right? It's -- we're tipping our toe. We don't have a 365-day a year presence. It'll be several days a month. We'll bring in talent, train them, create media, do events. And that's our way of learning, right? We're going to now learn how to operate the model, see what the benefit is.

If our general thesis is correct, the one that I laid out, you'll start seeing us kind of evolve that to full year presence in certain markets. On the -- is it working? I'd say, it's still early days. But one of the things that really did surprise us in the U.K. when we did the U.K. Championship, which was the media we created from this development talent in the U.K., it was hard to have a benchmark. We've never done it before. We put it on WWE Network. I would say that I had my own mental model of how it would do. It did better. And what also surprised me is how many -- how much viewership we got outside the U.S., I mean outside the U.K. So again, if you're a passionate wrestling fan, guess what, you are interested about this.

So yes, it was -- it's really interesting early days, but it's our first test, if you will. And my hope is that what I described kind of, we start seeing that playing out, and we'll take it and kind of build it out. In terms of the cost, look, if you went to Orlando, you'd say, "Oh, this looks like about 20,000 square feet." So multiply that by whatever the going rate is in a market. We've got about 10 full-time staff. And then depending on the talent, you compensate them according to local wage norms. I'd say OpEx, you're probably looking \$4 million to \$8 million a year roughly depending on the market.

BENJAMIN DANIEL SWINBURNE: Got it. Makes sense. We actually have one more then we'll open it up for the audience to see if they have any questions. There's some discussion, it was on the call, I think in the marketplace about adding an additional hour on Friday nights on your Fox deal when it kicks in later this year. Talk about sort of the cost benefit analysis of why that may or may not make sense for you and your partner.

GEORGE A. BARRIOS: Yes. So the first thing I'd tell everyone is for a long time, we created 6 hours of live In Ring content. It wasn't always broadcast live, but it was being created live. So on Monday nights and on Tuesday nights, 3 hours each night. If you want that 10 years ago, 2 hours with Monday Night Raw, 2 hours with SmackDown and then the other 2 hours were ECW, WWE Superstars, WWE Main Event. So we've done this for a long time. It's not new. In 2018, we have 3 hours of Raw, 2 hours of SmackDown. And that sixth hour, the way you referenced it, was 205 Live, which sits in our bundle, WWE Network. And for 26 weeks or so, we did Mixed Match Challenge, which is a show we did with Facebook for their newly launched Watch tab. So the question for us moving forward into 2019 and beyond is what's the best use of that hour? Is it best used as traditional Pay TV partner? If there's interest there, I guess, there has to be interest. Is it best on our WWE Network to drive engagement, which hopefully then drives retention? Should it be on one of the AVOD platforms? So -- and the analysis, if you will around all those, the same analysis we do for all our content on where it should belong as what's the reach, what's the engagement and then what's the monetization. And the reach has several layers beneath that, which is who are you trying it would reach? Is it for a core fan? Is it for a new fan? Is it for the next generation of fan? Is it for your female fans? For example, Total Divas is being on E!, right? So we thought about that. We have the same discussion. Should that be on WWE Network? Should we put that on YouTube? Should we do that on Facebook? Or is it best served on Pay TV? The sixth hour is in fundamentally different discussion. It's just -- the only difference is it's elevated because live In Ring has more value, we believe. So that's the thinking we're going through now.

BENJAMIN DANIEL SWINBURNE: Got you. Okay. I can keep going, but obviously, if the audience have any questions for you, just please raise your hand so the webcast can pick it up.

GEORGE A. BARRIOS: It's a shy group.

BENJAMIN DANIEL SWINBURNE: It is. You can ask them for more potato chips.

GEORGE A. BARRIOS: Look, guys, [never bring a bag] of potato chips.

UNIDENTIFIED ANALYST: A much bigger question from the back. How far away are you for the sport eventually being pure direct-to-consumer and beyond the cable networks because with the cable networks, you can serious -- slowly lose those viewership. The margin uplift as you guys prove is there, but it's obviously a long way away because the consumer needs to evolve. And is that -- how long -- do you ever see it happening in the future? And if it did, how far would it be?

GEORGE A. BARRIOS: Yes, I know that there's a grand thesis of Pay TV, cable declining and so on. And obviously, we're

seeing the number. I will tell you, I think there was going to be a content bundle in the future. I don't think that's going away. Now who bundles it and what the architecture of the bundle is? How much is in it? What it costs? That may change fairly dramatically. But we certainly not ones that say, "Oh, the entire bundle is disappearing and everything is going to be a la carte direct-to-consumer ." I don't think the world's going to work like that. So I think the decision for us and it's one of the reasons we focus for 10 years on building out the social and digital platform and why we're the #1 sports network on YouTube, and that we started working on the direct-to-consumer 7 years ago. We're now the #2 sports SVOD service in the world direct-to-consumer. The reason we did that is to give us optionality. So as the world changes, we can have choices, right? We built up the capabilities, the fan base, the engagement levels. And as the world changes, we can rule it. But I would tell you personally, I'm not one to subscribe that the bundle is going away. I think bundles work for the bundler and it works for the provider into the bundle. Now over time, again, who gets what, how the economics gets shared, who's doing what, that's -- I agree with that. That probably will be very different. So that's how we think about it. Unless we're trying to guess how to solve this shakeout, it's more around making sure we have optionality and capabilities to succeed in however it does.

UNIDENTIFIED ANALYST: How should we be thinking about some of the digital players being involved in some of these international negotiations? You mentioned your success with Facebook's Watch tab. Should we expect some of these big tech giants to be looking at some of the international rights? And then are you open to splitting up Raw and SmackDown in these international markets in the same way you did in the U.S.?

GEORGE A. BARRIOS: Yes. On the first one, when we're talking about the digital players, there are things that are unilaterally controlled. So if we decide, we just want to do a rev share with any of these digital players, we can decide to do that ourselves and go on the platform. I think your question is more -- no, I mean, really more than licensing your content like Mixed Match Challenge and more of a traditional manner. I wouldn't speak for them as whether they would be interested in WWE or not. You have to ask them that. The way we'd evaluate it is what I said then is we're going to look at reach. Now in this case, you're talking about Internet players, the reaches, the entire broadband universe, engagement and that differs, right? Engagement being how much time are people spending watching videos on these platforms and long-form videos especially. So we'll have to evaluate that, and then the economics. So that's the way we would think about it. We do our math. The economics are easy. The other ones are a little bit harder because you're trying to impute first and second order impacts of the loss of reach or how long for the reach and engagement reaches more traditional TV viewings. So obviously, there's an angel on a pinhead there, but that's the math we do to evaluate it. So that's how we think about those players. And again, you ask them if they will be interested in WWE. On the splitting, that is our going-in preferred model. We can't always accomplish that because the market may not allow YouTube. In some markets, for some providers, rights holders, the exclusivity premium just maybe too much where you say, "You know what, I'll give up my preferred model of splitting the rights and I'll go with one partner because the exclusivity premium is too much for me to kind of leave on the table." But we think -- we actually think it's better for everyone. The buyer may not agree. We actually think it's actually beneficial when there are multiple parties involved. There's this kind of peer pressure, competitive dynamic that occurs and we think that's a tide that raises our boats. But again, the buyer may not agree. So we're going to each market thinking that would be a great model. Sometimes, it's just not the best answer given the market dynamics. In the U.S. this time around obviously, it was.

BENJAMIN DANIEL SWINBURNE: Okay. We're out of time. George, good luck with all the international renewals. I'm sure they'll visit.

GEORGE A. BARRIOS: Great. Guys, thank you.

BENJAMIN DANIEL SWINBURNE: Thank you for coming.

GEORGE A. BARRIOS: I appreciate it. Thank you, everybody.

BENJAMIN DANIEL SWINBURNE: Thank you, everybody.

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Industry: (Broadcast TV (1BR25); Broadcast TV Programming (1BR42); Entertainment (1EN08); Sports (1SP75); TV (1TV19); TV Programming (1TV26); TV Stations (1TV23); Traditional Media (1TR30); Wrestling (1WR72))

Region: (Americas (1AM92); Asia (1AS61); China (1CH15); Eastern Asia (1EA61); Far East (1FA27); Florida (1FL79); India (1IN24); Indian Subcontinent (1IN32); Latin America (1LA15); Middle East (1MI23); North America (1NO39); Southern Asia (1SO52); U.S. Southeast Region (1SO88); USA (1US73))

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